

EXECUTIVE ORDER NO. 17-21

ACCELERATING ZERO EMISSION VEHICLE ADOPTION IN OREGON TO REDUCE GREENHOUSE GAS EMISSIONS AND ADDRESS CLIMATE CHANGE

WHEREAS, climate change presents a significant threat to our livelihoods, economic security, environment, health, and well-being.

WHEREAS, there has been an increase in extreme weather events, including more frequent and intense heat waves and wildfires. According to the Oregon Climate Change Research Institute and other regional studies, the best available science indicates Oregon is at risk of serious impacts to its natural resources due to climate change.

- Water resources are being affected by decreased winter snowpack, changes to seasonal runoff patterns, decreased precipitation in Eastern Oregon, and increased intensity and occurrence of flooding.
- Agricultural resources are being affected by increases in temperatures.
- Ocean acidification is increasing and there are changes in ocean currents.
- Significant parts of the Oregon coastal region, stretching 363 miles, will be impacted by an expected rise in sea level up to 1 to 4 feet by 2100, incurring billions of dollars of damages and losses to roadways and structures.
- Climate change impacts threaten the State's agricultural, fishing, timber, recreation, and tourism industries, thereby threatening the livelihood of the State's residents and an important source of Gross State Product for the state.

WHEREAS, climate-related pollution from transportation and other emissions is projected to create \$1.1 billion in health costs for Oregon families to bear by 2040, including asthma, heart disease, stroke, and cancer; and internal combustion engines burning fossil-based fuels are the largest contributor of greenhouse gas emissions in Oregon, with the transportation sector accounting for 37 percent of greenhouse gas emissions and light-duty vehicles alone accounting for 25 percent of greenhouse gas emissions, all while the state's transportation sector related greenhouse gas emissions continue to grow.

WHEREAS, Oregon is committed to meeting the international Paris Agreement targets to reduce greenhouse gas emissions by 26 to 28 percent below 2005 levels by 2025.





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WHEREAS, Oregon has adopted goals to reduce greenhouse gas emissions to 10 percent below 1990 levels by 2020 and at least 75 percent below 1990 levels by 2050 as described in ORS 468A.20.

WHEREAS, greater transition of internal combustion engines to zero emission vehicles, like electric cars, buses, and trucks, play a key role in helping Oregon achieve its climate change goals, improving the health of Oregon communities, and encouraging clean energy job development.

WHEREAS, zero emission vehicles provide multiple benefits to Oregonians, including operating quietly and cleanly; allowing home refueling; lowering operating, maintenance, and fuel costs; and reducing pollutants such as carbon dioxide and black carbon emitted through diesel combustion.

WHEREAS, emissions associated with the combustion of fossil fuels have a negative health impact for Oregonians and, in particular, communities located close to major highways, and the use of zero emission vehicles can have immediate positive impacts on local air quality and public health.

WHEREAS, the median Oregon household spends four to five percent of its income on transportation fuel costs, and Oregon businesses and residents could benefit from the lower costs of zero emission vehicle operation and maintenance and the diversification of our transportation fuels, including electricity, which can help offset price volatility and political instability associated with petroleum fuels.

WHEREAS, the development of a robust clean energy economy includes the sales of electric vehicles, chargers, and other equipment as well as the installation and maintenance of charging equipment that will encourage clean energy job development at a local level.

WHEREAS, Oregon is a member of the following organizations and coalitions that have zero emission vehicle goals and commitments:

• The International Zero Emission Vehicle Alliance has committed that all new light-duty vehicle sales will have an electric powertrain as soon as possible and no later than 2050.





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- The Pacific Coast Collaborative established and supports the West Coast Electric Fleets initiative to expand the use of electric vehicles in fleets and the West Coast Green Highway to provide resources for zero emission vehicles on Interstate-5.
- The Zero Emission Vehicle Multi-State Memorandum of Understanding has an Action Plan Goal of a minimum of 25 percent of new light-duty state fleet purchases and leases for applicable uses, to the extent available, will be zero emission vehicles by 2025.

NOW, THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

- 1. **Definition.** For purposes of this Executive Order, "state agency" shall be defined as any agency within the Executive Department as defined in ORS 174.112, other than the Oregon Secretary of State, Oregon State Treasury, Oregon Department of Justice, and Oregon Bureau of Labor and Industries.
- 2. Statement of Policy and Establishing Statewide Goal. It is the policy of the State of Oregon to establish an aggressive timeline to achieve a statewide goal of 50,000 or more registered and operating electric vehicles by 2020. This short-term goal will ensure the state is on track to meet ambitious long-term goals described above. There are currently approximately 16,000 electric vehicles registered in Oregon and establishing this new state goal will focus state agencies and partners in transitioning public and private fleets to electric vehicles to achieve multiple climate change goals and commitments. Strategies outlined in this executive order will close cost gaps, infrastructure gaps, and information gaps to help accelerate the transition toward electric vehicles.
- 3. Oregon State Agencies Leading by Example with Increased Use of Electric Vehicles.
 - A. State Electric Vehicle Chargers to Support the State Goal. The Department of Administrative Services (DAS) and the Oregon Department of Energy (ODOE) are directed to develop a plan and estimated budget through 2025 to install electric vehicle chargers for the operation of state agency owned electric vehicles, public charging at





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state facilities, and state employee charging. The number and placement of electric vehicle chargers will be designed to provide sufficient charging infrastructure necessary for the state to achieve the fleet conversion goals of the Pacific Coast Collaborative West Coast Electric Fleet initiative described above.

- B. Electric Vehicle Policy for State Parking Lots to Support the State Goal. DAS is directed to add electric vehicle charging as a priority criteria for parking lot waitlists, add electric vehicle charging capacity for employee and public visitor parking lots, develop contracts for the procurement and installation of charging infrastructure, and incorporate electric vehicle charging as a tenant improvement for state-leased buildings.
- C. Long-term Return on Investment of Electric Vehicles to Support the State Goal. DAS, in cooperation with ODOE, is directed to develop a tool to calculate the long-term return on investment and life-cycle costs of electric vehicles using costs and savings including but not limited to vehicles purchase, fuel, and maintenance. This tool will inform state agencies of potential cost savings for greater state agency fleet conversion toward zero emission vehicles to achieve the state goal established in Section 2. In addition, DAS is directed to develop a "Low-Emission Vehicle First" policy, to encourage state employees to first use electric vehicles or other low-emission vehicles in the state fleet.
- D. <u>Bulk Electric Vehicle Purchases to Support the State Goal.</u> DAS and ODOE are directed to improve the use of the West Coast Electric Fleets initiative for electric vehicle bulk procurement to reduce costs for electric vehicle purchases.
- E. <u>Enabling Electric Vehicle Purchases and Infrastructure to Support the State Goal.</u> DAS, in cooperation with all state agencies, is directed to inform and support legislative changes that would enable increased charging infrastructure and state agency electric vehicle purchases.
- 4. Increasing Oregonians' Access to Electric Vehicles.
 - A. <u>Electric Vehicle Rebate Programs Designed to Achieve the State Goal.</u>
 The Oregon Department of Environmental Quality (DEQ) is directed to





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conduct rulemaking for the electric vehicle rebate programs, established in HB 2017 (2017), to encourage Oregonians to purchase or lease electric vehicles such that these rebate programs are designed to achieve the state goal established in Section 2. As part of the rulemaking, DEQ is directed to develop strategies to help ensure Oregonians are informed about the opportunities to reduce the costs of electric vehicle purchases and leases through the Electric Vehicle Rebate program, in addition to robust outreach to low-income communities and organizations through the Charge Ahead Rebate program.

- B. Clean Fuels Program Designed to Achieve the State Goal. DEQ is directed to conduct rulemaking for the Clean Fuels Program to support greater electric vehicle adoption, in cooperation with the Oregon Public Utility Commission (PUC), such that the program is designed to support innovative solutions in the evolving electric vehicle market and achieve the state goal established in Section 2. DEQ is directed to develop a method to aggregate and monetize all eligible electric vehicle credits in the Clean Fuels Program to assist in achieving the state goal.
- C. Zero Emission Vehicle Regulation Designed to Achieve State Goal. Today, DEQ's zero emission vehicle regulation requires car manufacturers to sell six to eight percent electric vehicles for new light-duty sales by 2025. DEQ is directed to work with the Environmental Quality Commission to maintain consistency with California's zero emission vehicle regulation, including efforts to ramp up regulatory requirements. DEQ is directed to participate in federal assessments of vehicle emissions standards and work with the Department of Justice to take appropriate steps to retain California's exemption for vehicle standards that are more protective of air quality under the federal Clean Air Act Section 209.
- D. <u>Consumer Engagement in Transportation Electrification Plans to</u>
 <u>Achieve the State Goal.</u> PUC, with input from interested stakeholders, is directed to implement the transportation electrification program, established in SB 1547 (2015), to support consumer engagement in the investor-owned utilities' transportation electrification plans such that the transportation electrification program is designed to achieve the state goal established in Section 2. Wherever possible, the PUC is directed to



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encourage programs that support greater electric vehicle adoption in moderate- and low-income communities.

5. Increasing Oregonians' Access to Electric Vehicle Charging Infrastructure.

- A. Leveraging Volkswagen Mitigation Fund to Support the State Goal. DEQ, in cooperation with Oregon Department of Transportation (ODOT), ODOE, and Oregon Health Authority Public Health Division, is directed to engage interested stakeholders and receive public comments to inform development of a plan to leverage up to 15 percent of the Volkswagen_Mitigation Fund to support vehicle electrification. This plan will use part of Oregon's share of the Volkswagen Diesel Settlement (Appendix D), consistent with the limitations on the use of such funds, to develop and maintain electric vehicle charging stations with a focus on connecting rural communities, low-income communities, and Oregonians living in multi-family homes, while complementing the Electric Vehicle Rebate Program and Charge Ahead Rebate Program that were established in HB 2017 (2017).
- B. Leveraging Volkswagen Zero Emission Vehicle Fund to Support the State Goal. ODOT, in cooperation with ODOE, DEQ, PUC, and local governments, is directed to facilitate the application process for fund deployment of the Volkswagen "Electrify America" investments and projects under the Zero Emission Vehicle Fund, which are developed in accordance with the Volkswagen Diesel Settlement (Appendix C). In addition, these agencies will develop proposals for future 30-month investment periods for the Volkswagen "Electrify America" Zero Emission Vehicle Investment Plans to achieve the state goal established in Section 2.
- C. <u>Charging Infrastructure in Transportation Electrification Plans to Achieve the State Goal.</u> PUC, with input from interested stakeholders, is directed to implement the transportation electrification program, established in SB 1547 (2015), to support electric vehicle charging in the investor-owned utilities' transportation electrification plans such that the transportation electrification program is designed to achieve the state goal established in Section 2. Wherever possible, the PUC is directed to



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encourage programs that support greater electric vehicle adoption in moderate- and low-income communities.

- D. Electric Vehicle Ready Building Construction to Achieve the State Goal. The appropriate advisory board(s) and the Department of Business and Consumer Services Building Codes Divisions (BCD) are directed to conduct code amendment of the state building code to require that parking structures for all newly constructed residential and commercial buildings are ready to support the installation of at least a level 2 EV charger by October 1, 2022. BCD may establish limited specific exemptions related to types of parking lots, such as temporary parking lots.
- 6. Providing Partners with Information on Electric Vehicle Use and Functionality.
 - A. <u>Assisting School Districts to Support the State Goal.</u> ODOE, working with ODOT, PUC, DEQ, and the Department of Education, is directed to develop tools and provide information to assist school districts in making decisions about zero emission vehicle bus options when replacing school buses.
 - B. Assisting Transit Agencies to Support the State Goal. ODOT, working with ODOE, PUC, and DEQ, is directed to develop tools, information, and best practices to assist transit agencies when making decisions about zero emission vehicle bus technology adoption in transit fleets for their transit districts. In addition, ODOT, working with ODOE, DEQ, and Oregon Health Authority Public Health Division, is directed to engage with transit agencies and interested stakeholders to assess how zero emission vehicle technologies can help to reduce lifecycle emissions, improve public health, and save costs in the heavy-duty sector, including through the accelerated transition to zero-emission buses.
 - C. <u>Assisting Consumer Owned Utilities to Support the State EV Goal.</u> ODOE is directed to engage with consumer and public-owned utilities to enable increased electric vehicle adoption in their service territories and provide technical assistance on strategies to accommodate increased





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loads on their electric systems in order to achieve the state goal established in Section 2.

- D. <u>Assisting Investor Owned Utilities to Support the State EV Goal.</u> PUC, in collaboration with utilities and stakeholders, is directed to oversee development of strategies to encourage continuous improvement of the investor-owned utilities' transportation electrification plans, established pursuant to SB 1547 (2015), to achieve the state goal established in Section 2.
- 7. Celebrating Achievements by Recognizing Businesses and Organizations that Lead Oregon in Electric Vehicle Adoption.
 - A. <u>Establishing Governor's Awards for Automobile Dealerships.</u> ODOE is directed to design and establish "Governor's Awards" for automobile dealerships to encourage sales of electric vehicles, such as highest annual electric vehicle sales and highest percentage per capita of electric vehicle sales in a year.
 - B. <u>Establishing Governor's Awards for Businesses or Organizations.</u>
 ODOE is directed to design and establish "Governor's Awards" that recognize businesses and organizations which support increased electric vehicle adoption, such as through installing charging infrastructure and converting fleets to electric vehicles.
- 8. Implementation. The implementation of this Executive Order shall be coordinated through a Zero Emission Vehicle Working Group, which will also identify any structural barriers or barriers to information sharing that may slow the progress of any directive in this Executive Order. The Zero Emission Vehicle Working Group will review directives in this Executive Order, seek input from interested stakeholders, and recommend opportunities to provide equitable access to clean energy by removing barriers to electric vehicles and electric vehicle chargers to the Governor and state agencies. The Zero-Emission Vehicle Agency Working Group shall include the following agencies: DAS, ODOE, OPUC, ODOT, and DEQ. ODOE will lead a collaborative effort through this interagency working group to develop goals, metrics, and other indicators of progress and will establish a website to share information about the directives in this Executive Order with the public. Agencies shall implement each directive in



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this Executive Order using their existing internal processes and established rulemaking procedures, including recommendations from any boards. This Executive Order is intended to be consistent with obligations under federal and state law and shall be interpreted as to not violate any requirement of federal or state law.

9. The Governor encourages the Secretary of State, the State Treasurer, the Attorney General, and the Commissioner of the Bureau of Labor and Industries to adopt policies and practices to accelerate zero emission vehicle adoption consistent with measures in this Executive Order. DAS and ODOE are directed to assist the above-mentioned officials and entities of state government in accomplishing these objectives as they may request.

Done at Portland, Oregon, this Lot day of November, 2017.

Kate Brown GOVERNOR

ATTEST:

Dennis Richardson

SECRETARY OF STATE